

State of Hawaii
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Resources
333 Queen Street
Honolulu, Hawaii 96813

August 8, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, HI

OAHU

Issuance of a Revocable Permit to Diamond Parking, LLC, for management of a Parking Concession located at the Ala Wai Small Boat Harbor, Honolulu, Oahu, TMK: (1)2-3-037

APPLICANT:

Diamond Parking Services, LLC, a for profit, Foreign Limited Liability Company, located at 605 First Ave., Suite 600, Seattle, Washington 08104

Honolulu Address:
439 Kamani Street, Honolulu, Hawaii 96766

LEGAL REFERENCE:

Section 171-55, 102-1, 103-D Hawaii Revised Statutes

LOCATION:

Ala Wai Small Boat Harbor (AWSBH), Kalia, Waikiki, Honolulu, Island of Oahu, Governor's Executive Order No. 1795. TMK: (1)2-3-037, as more particularly shown on Exhibit "A."

LAND TITLE STATUS:

Section 5(b) lands of the Hawaii Admission Act.
DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: YES ____ NO X

AREA:

Approximately 8.5 acres

AWSBH Total Parking Stalls: 966

Currently, there are 313 parking stalls set aside as permit parking only.

There will be no less than 300 free parking stalls set aside in the designated free parking area. Should the area be restriped and additional parking stalls created, the additional stalls will be added to the free parking area.

The remaining 353 parking stall will be used for paid public parking.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>x</u> NO <u> </u>
Registered business name confirmed:	YES <u>x</u> NO <u> </u>
Applicant in good standing confirmed:	YES <u>x</u> NO <u> </u>

PURPOSE:

To authorize the Division of Boating and Ocean Recreation (DOBOR) to enter into a Revocable Permit with Diamond Parking Service, LLC for the purpose of managing all parking at the Ala Wai Small Boat Harbor, and gather pertinent information that can be used to develop a request for proposal (RFP) for a long term parking concession.

At the May 23, 2008 Land Board meeting, the Board recommended hiring a facilitator to establish an adhoc committee to give input regarding the parking plan. Mr. Tom Mitrano, Facilitator, has been contracted to form the adhoc committee to monitor the parking plan. The adhoc committee will provide input that will be used when preparing the RFP. The first meeting is scheduled at the Jefferson Elementary School on August 20, 2008 at 6:00 p.m.

TERM:

A one year, month to month Revocable Permit

RENT

All gross revenue generated from parking fees shall be collected by the Permittee. A fixed monthly operating expense of THIRTEEN THOUSAND FIVE HUNDRED (\$13,500.00) dollars will be retained by the Permittee as payment for monthly operating expenses (see Exhibit B). The remaining balance shall be distributed in the following percentage, with the State receiving EIGHTY-FIVE (85%) percent and the Permittee receiving the balance of FIFTEEN (15%) percent.

REMARKS:

DOBOR requests approval to issue a Right of Entry and Revocable Permit to Diamond Parking Service, LLC (Permittee). The Permittee will assist DOBOR with managing all vehicle parking activities presently under DOBOR's jurisdiction within the AWSBH for a period of one year. This will allow DOBOR time to gather information that will be used to prepare an RFP for a long term parking concession agreement.

The Permittee shall be required to implement the vehicle parking plan as approved by the Land Board with amendments on May 23, 2008. (see Exhibit C).

In addition to the approved vehicle parking plan, the Permittee will:

- Collect monies from the existing parking meters.


- Provide staff at the harbor, that will monitor the vehicle parking full time on a daily basis between the hours of 5:00 a.m. and 11:00 p.m. Parking areas will be intermittently monitored for closure enforcement from 11:00 p.m. to 5:00 a.m.
- Ensure that a minimum of 300 vehicle parking stalls remain available to the public at no charge
- Provide DOBOR with a detailed revenue and expense statement each month, and any other data that may be requested by the Division.
- Install and maintain all temporary improvements during the term of the Revocable Permit. At the end of the Revocable Permit term, remove all such improvements as deemed necessary.

RECOMMENDATIONS:

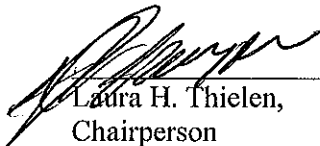
Authorize the issuance of a Revocable Permit to Diamond Parking Service, LLC. covering the subject area for vehicle parking purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
- b. Review and approval by the Department of the Attorney General;
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,


Edward R. Underwood
Administrator

APPROVED FOR SUBMITTAL:


Laura H. Thielen,
Chairperson

ALA WAI SBH PARKING

FRONT ROW

"D" DOCK

"G" DOCK

100 ROW

"C" DOCK

"F" DOCK

"B" DOCK

400 ROW

500 ROW

600 ROW

Parking Vendor

700 ROW

Public

800 ROW

900 ROW

ALA WAI LOT PROFORMA

500

\$ 0.25
\$ 0.40

DAY 100%	MONTH	DAY 90%	MONTH	DAY 80%	MONTH
1,000.00 \$	30,000.00 \$	900.00 \$	27,000.00 \$	800.00 \$	24,000.00 \$
1,600.00 \$	48,000.00 \$	1,440.00 \$	43,200.00 \$	1,280.00 \$	38,400.00 \$

DAY 70%	MONTH	DAY 60%	MONTH	DAY 50%	MONTH
700.00 \$	21,000.00 \$	600.00 \$	18,000.00 \$	500.00 \$	15,000.00 \$
1,120.00 \$	33,600.00 \$	960.00 \$	33,600.00 \$	800.00 \$	24,000.00 \$

INCOME

	\$ 0.25 per 60-Minutes	\$ 0.40 per 60-Minutes
DAILY PARKING	24,000.00 \$	38,400.00 \$
MONTHLY PARKING	5,625.00 \$	5,625.00 \$
CURRENT METER INCOME	9,500.00 \$	9,500.00 \$
**TOTAL PARKING INCOME	39,125.00 \$	53,525.00 \$

CHECKERS	6,480.00 \$	6,480.00 \$
SUPERVISION	1,500.00 \$	1,500.00 \$
LEAD ATTENDANT	750.00 \$	750.00 \$
TAXES AND BENEFITS	2,237.00 \$	2,237.00 \$
**TOTAL PAYROLL EXPENSE	10,967.00 \$	10,967.00 \$

OTHER EXPENSE

RENT	see below	see below
TELEPHONE-LINE CHARGES	75.00 \$	75.00 \$
FAX/MODEM/INTERNET		
REPAIRS AND MAINTENANCE	700.00 \$	700.00 \$
SWEEPING & SNOW REMOVAL	- \$	- \$
LEASED EQUIPMENT/SHUTTLES	- \$	- \$
SUPPLIES	275.00 \$	275.00 \$
SUPPLIES- WAREHOUSE	125.00 \$	125.00 \$
POSTAGE	- \$	- \$
WE CARE	- \$	- \$
BANKING	75.00 \$	75.00 \$
CREDIT CARD FEES	- \$	- \$
RISK MANAGEMENT EXPENSE	990.00 \$	990.00 \$
ACCOUNTING & DATA PROCESSING	250.00 \$	250.00 \$
***TOTAL EXPENSES	13,457.00 \$	13,457.00 \$

***OPERATING INCOME (LOSS)

STATE INCOME @ 85 % LESS NOC	21,817.80 \$	34,057.80 \$
DIAMOND PARKING INCOME	3,850.20 \$	6,010.20 \$

Proposed Ala Wai Small Boat Harbor Parking Plan

The Division of Boating and Ocean Recreation proposes to hire a parking vendor for the purpose of managing vehicle parking at the Ala Wai Small Boat Harbor. The parking vendor will be responsible for managing public-paid parking areas, free public parking areas and designated permitted parking areas.

DLNR plans to require the following stipulations in the agreement with the contracted vendor:

PERMIT PARKING

- There will be approximately 313 vehicle parking stalls designated as permit parking areas for harbor tenants with valid parking permits throughout the harbor. The approximate break down is as follows:

Front row:	17 stalls
G dock area	06 stalls
Station 4	54 stalls
Triangle lot	41 stalls
400/500 row	132 stalls
600/700 row	63 stalls
Total:	313 stalls

- The selected parking vendor will be responsible for issuing parking permits to harbor tenants for use in the designated permit parking areas or paid parking areas;
- Parking permits will be issued and fees assessed according to the Hawaii Administrative Rules, Section 13-233.

PAID PARKING

- No gates or barriers will be installed;
- The selected parking vendor will install, at vendor's expense, pay stations throughout the harbor;
- Vehicles parked in the paid parking areas will be required to pay the appropriate fees;
- The hourly charge for parking will be \$1.00 .25 per hour and the metered area will remain at .40 per hour (as stipulated by the BLNR at its meeting of May 23, 2008). There is no time limit as long as fees are paid;
- Monthly parking passes may be purchased for the paid public parking areas with fees not to exceed current City and County rates. Details of this stipulation are still being worked out.

FREE PUBLIC PARKING

The number of free public parking spaces will be approved by the Board of Land and Natural Resources.

- DOBOR has suggested **300 FREE PUBLIC PARKING STALLS** (the recommendation of the BLNR at the May 23, 2008 meeting was to state “no less than 300 free public parking stalls) including the helipad area, parking along the lagoon fence line, and much of the existing public parking (except permitted parking) on the 600 and 700 row;
- No overnight parking will be allowed in the free public parking areas. Closure times will be from 10:30 p.m. to 4:30 a.m.;
- Approximately 15 trailer boat parking stalls located behind the harbor masters office will remain open to the public at no charge for up to 72 hours as is the case at other State launch ramp facilities.

ENFORCEMENT

- The parking vendor will enforce vehicle parking regulations as well as the Division of Conservation and Resource Enforcement (DOCARE);
- Vehicles parked in the free public parking area during the closure period, vehicles parked in the designated permit areas without a valid permit, vehicles parked in the paid parking areas without paying appropriate fees may be cited and/or towed at the vehicle owner’s expense and liability.
- Installed signage would indicate the free parking areas at Ala Wai Small Boat Harbor are set aside for individuals accessing the waters of Waikiki for recreational purposes.

NOTE

- There will be no amendment of the parking plan without prior approval from the Director of the Department of Land and Natural Resources;
- The total number of stalls throughout the Ala Wai SBH may be adjusted according to the parking vendor’s final re-design of the entire parking area to maximize use of available space.